Appendix C: FGP and SCP Baseline Funding Augmentation



Additional Funding Available for Strengthening Compliance and Internal Controls

Overview

Senior Corps is pleased to offer additional baseline funding to FY19 awards for FGP and SCP grantees. We expect that this increase will help strengthen grantee internal controls and compliance, particularly, through the ongoing use of Truescreen and Fieldprint, CNCS's approved National Service Criminal History Check (NSCHC) vendors.

You may request an augmentation of up to 5% of your baseline funding amount. If accepted, this funding will become a permanent addition to your baseline funding.

Augmentation Details

- The additional funding will be a permanent addition to the grantee's baseline funding amount. Grantees will continue to receive this additional funding in future budget years and performance periods, subject to the availability of appropriations and satisfactory performance of the grantee.
- To determine the amount of funding available to you, multiple your current baseline funding amount by 0.05. See the FAQs below for an example. The resulting amount, plus your original baseline funding amount, is the total amount of funding available to you. Further details will be provided in an invitation letter that you will receive from your CNCS State Office.
- In 2018, several grantees received one-time augmentations due to the One-Time CHC Surge Augmentation. These funds were not additions to your baseline funding. These funds are not included in your baseline funding for the purposes of this augmentation.
- Funds may be used for any allowable purpose. Senior Corps strongly encourages grantees to use them to conduct NSCHCs on all new individuals entering covered positions through Truescreen or Fieldprint, as applicable. Encouraged uses for these funds include covering the costs of checks themselves, defraying administrative costs associated with these checks, such as transportation or coordination costs, or other investments in a grantee's capacity for compliance and internal controls, such as additional staff capacity or new tools/systems. See <u>2 CFR 200</u>, <u>Subpart E</u> for more information on allowable costs.
- The following standard requirements for Senior Corps funding apply:
 - Accepting these additional funds will increase a grantee's required non-federal share proportionally. The
 required non-federal share for your grant is 10% of the total project cost. Examples are included in the
 FAQs' below.
 - Accepting these additional funds may increase the number of VSYs you need to program towards
 National Performance Measure Work Plans resulting in outcomes. Examples are included in the FAQs' below. Please note that you have until the end of your three-year performance period to achieve this
 allocation of VSYs.
- As announced on December 17, 2018, Senior Corps has published new regulations that remove the requirement to spend an amount equal to 80% of your total federal funding for the direct benefit of volunteers (often known as the "80/20 rule" or "Direct Benefit Ratio"), effective January 31, 2019. As a result, this requirement does not apply to these additional funds.

To Request the Augmentation

• If you are in a **continuation** period (that is, moving from one budget year to another within the same three-year performance period):

SeniorCorps.gov 1

- o Your prior year budget will carry over to your application when you enter eGrants
- Add the additional funds, including the required match, to your budget in whatever budget categories
 you intend to spend them. Please note there is a specific line for Criminal History Check costs, named
 "Criminal Background Check" in the "Other Volunteer Support Costs" part of Section 1 of your budget
 application.
- No additional opt-in documentation is necessary. Your submission of a continuation application that
 includes this additional funding constitutes your acceptance of these funds. Once awarded, funds become
 subject to all Senior Corps regulations and cost principles.
- If you are in a **renewal** period (that is, entering a new three-year performance period):
 - o You will be asked to enter a new budget in your application in eGrants.
 - Senior Corps always encourages grantees to reflect on their prior budget and consider any appropriate changes during the renewal process. Please take this opportunity to consider your budget holistically, including these new funds and their associated match.
 - When you enter your new budget application, ensure that it includes the additional funds and associated match. Please note there is a specific line for Criminal History Check costs, named "Criminal Background Check" in the "Other Volunteer Support Costs" part of Section 1 of your budget application.
 - No additional opt-in documentation is necessary. Your submission of a renewal application that includes this additional funding constitutes your acceptance of them. Once awarded, funds become subject to all Senior Corps regulations and cost principles.

Frequently Asked Questions

1. Q: How do I know the amount of funding available to me?

A: Your invitation letter will include your baseline funding amount, as well as the augmentation letter available to you. If you would like to calculate this yourself:

- 1. Identify your current baseline funding amount. Note that this amount does not include any One-Time CHC Surge Augmentation you may have received.
- 2. Multiply that by 0.05.
- 3. Add the resulting number to your baseline funding amount. The resulting number is the total federal funding available.

As an example, suppose Puebloville FGP receives annual federal funding of \$180,000 (its baseline funding amount), and recently received an additional \$1,200 from the One-Time CHC Surge Augmentation, which increased its total award in 2018 to \$181,200. To find the amount of funding available to it, Puebloville FGP:

- 1. Begins with its \$180,000 annual baseline federal funding. Note that it does not include the \$1,200 it received in the One-Time CHC Surge Augmentation.
- 2. It multiplies that by 0.05, which equals \$9,000.
- 3. Its total funding available is thus \$189,000

2. Q: How do I calculate my new required non-federal share?

A: If you accept the full amount available, your required non-federal share will increase proportionally - that is, by 5%.

For example, Puebloville FGP receives annual federal funding of \$180,000 (its baseline funding amount.) Its current required non-federal share is:

nationalservice.gov 2

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Required Non-Federal Share = (Federal Share/ 0.9) – Federal Share
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Required Non-Federal Share = (\$180,000/0.9) - \$180,000

Required Non-Federal Share = \$20,000

If it accepts the full amount available (an additional 5%), it's required non-federal share would also increase by 5% - \$1,000 (\$20,000 * .05 = \$1,000). The new required non-federal share would thus be \$21,000.

This can also be calculated using the formula for required non-federal share. For example:

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New Federal Share = Baseline Funding + Augmentation Amount
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New Federal Share = (\$180,000 + [\$180,000*.05])

New Federal Share = \$180,000 + \$9,000 = \$189,000

Required Non-Federal Share = (New Federal Share/ 0.9) – New Federal Share

Required Non-Federal Share = (\$189,000/0.9) - \$189,000

Required Non-Federal Share = \$21,000

3. Q: What if I cannot meet the new required non-federal share?

A: Accepting this augmentation is not required. In addition, please note that grantees may request a waiver when a grantee cannot meet its required non-federal share in certain circumstances. Senior Corps will consider such waivers if a grantee has attempted to meet this requirement in cases of demonstrated need such as:

- Initial difficulties in the development of local funding sources during the first three years of operations
- An economic downturn, the occurrence of a natural disaster, or similar events in the service area that severely restrict or reduce sources of local funding support
- The unexpected discontinuation of local support from one or more sources that a project has relied on for a period of years.

4. How does this affect my National Performance Measures?

As indicated in the 2019 Invitation to Apply, as well as all prior Invitations to Apply since 2016, FGP and SCP grantees must program at least one VSY into outcome-based work plans for every \$6,000 in annual federal funding received.

For example, suppose Stadtville SCP receives \$270,000 in annual federal funding, its baseline. To find the number of VSYs it must program in this way:

VSYs Required in Outcome-Based Work Plans = Federal Funding/\$6,000

VSYs Required in Outcome-Based Work Plans = \$270,000/\$6,000

VSYs Required in Outcome-Based Work Plans = \$270,000/\$6,000

VSYs Required in Outcome-Based Work Plans = 45

If it accepts the full augmentation amount available, \$13,500 (\$270,000*.05 = \$13,500), its total annual federal funding would increase to \$283,500. In this case, its number of required VSYs would increase as follows:

VSYs Required in Outcome-Based Work Plans = Federal Funding/\$6,000

VSYs Required in Outcome-Based Work Plans = \$283,500/\$6,000

VSYs Required in Outcome-Based Work Plans = 47 (rounded to the nearest VSY)

Please note that CNCS evaluates whether or not a grantee has met its National Performance Measure at the end of its three-year performance period, meaning grantees would have three years to allocate all VSYs appropriately.

nationalservice.gov 3

5. Q: I am having trouble meeting my current VSY requirements. May I accept these funds?

A: Yes. While Senior Corps recommends prioritizing using the funds to ensure all National Service Criminal History Checks are completed in a compliant manner using Truescreen and Fieldprint, funds may be used for any allowable purpose. Grantees in this situation may choose to use remaining funds to help address VSY issues.

6. Q: May we use these funds to add to pay for additional stipends and to add to our VSY totals?

A: Yes. While Senior Corps recommends prioritizing using the funds to ensure all National Service Criminal History Checks are completed in a compliant manner using Truescreen and Fieldprint, funds may be used for any allowable purpose. Prior to budgeting funds in this way, please note that once Senior Corps funds are budgeted as stipends, they may not be rebudgeted for another cost without prior approval by Senior Corps. Sound VSY management is one of the most important responsibilities of an SCP or FGP grant. Grantees should carefully consider its ability to meet new VSY goals before using these funds for additional stipends.

7. Q: Will CNCS provide more information on what these funds may be used for? Can I ask specific questions about specific items?

A: Funds may be used for any allowable purpose. Senior Corps recommends prioritizing using the funds to ensure all National Service Criminal History Checks are completed in a compliant manner using Truescreen and Fieldprint, investing additional funds in other ways to enhance compliance or internal controls, and then using additional funds for other program priorities. However, these are recommendations only. To determine if something is an allowable cost, consult the Cost Principles in 2 CFR 200, Subpart E and direct additional questions to your CNCS Program Officer and Grants Officer.

8. Q: Is accepting the augmentation mandatory?

A: No. However, Senior Corps strongly recommends accepting these funds and using them to begin using Truescreen and Fieldprint for National Service Criminal History Checks.

9. Q: May I accept an amount less than 5% of my annual baseline federal funding?

A: Yes. However, Senior Corps strongly recommends accepting these funds and using them to begin using Truescreen and Fieldprint for National Service Criminal History Checks. Additional funds may be used for any allowable purpose.

10. Q: We believe we will need an increase in funding of more than 5% to transition to the new system. Is more funding available?

A: Not at this time. Due to limited resources, Senior Corps is making available additional amounts up to the formula presented above. Senior Corps will continue to assess needs and priorities in allocating remaining available funding, if any funding is still available after the completion of this process.

nationalservice.gov 4